

City of Del Rey Oaks

**City Hall
650 Canyon Del Rey Blvd
Del Rey Oaks, CA 93940**



Action Minutes

Monday, June 8, 2026

6:00 PM

City Council – Special Meeting

Del Rey Oaks City Council

**Scott Donaldson – Mayor
Mike Burger – Vice Mayor
John Uy – Councilmember
Kim Shirley – Councilmember
Jeremy Hallock – Councilmember**

6:00 PM – Called to Order:

The meeting was called to order by Mayor Donaldson

Roll Call: Present: Mayor Donaldson, Vice Mayor Burger, Councilmember Shirley and Councilmember Uy

Absent: Councilmember Hallock

Also Present: City Manager Guertin, City Attorney Lorca, City Clerk Minami, Administrative Service Technician Matthews

Pledge of Allegiance:

Led by Mayor Donaldson

Public Comment:

None

CONSENT AGENDA:

A. Approve Amendment of Del Rey Park ADA Sidewalk Improvements Project Funding Source

B. Approve an Amended Resolution Adopting a List of Projects for FY 2026-27 Funded by SB1

Councilmember Uy: Pulled item 4.A. to ask what went wrong with the ADA Sidewalk Improvement funding.

City Manager Guertin: Staff did nothing wrong; it was about the timing of the project and communication with the County regarding the document.

PUBLIC COMMENT:

None

A motion was made by **Councilmember Shirley**, seconded by **Councilmember Burger**, to approve the Consent Agenda as presented.

Motion passed unanimously 4-0

Councilmember Hallock absent

NEW BUSINESS:

A. Review Proposed Budget for Fiscal Year 2026-2027

City Manager Guertin introduces Elizabeth Mariano of RGS Consulting to review the budget document and slide show.

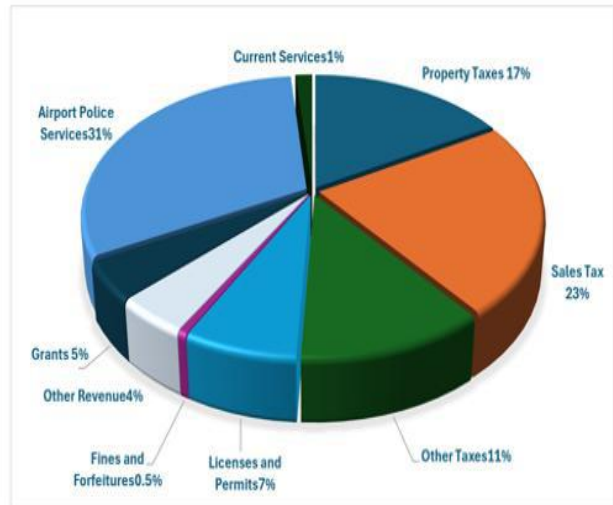
FY 2026-2027 Proposed Budget GENERAL FUND SUMMARY

	FY 2026 Current Budget	FY 2027 Proposed Budget	Increase/ (Decrease)	Percent Change
Total Estimated Revenue	5,093,050.00	5,320,550.00	227,500.00	4.5%
Total Operating Budget	5,430,015.00	5,507,180.00	77,165.00	1.4%
Excess (Deficit) of Revenue Over Expenditures	<u>(336,965.00)</u>	<u>(186,630.00)</u>	<u>150,335.00</u>	

FY 2026-2027 Proposed Budget GENERAL FUND OPERATING REVENUE

Airport Police Services	\$ 1,665,780	31.3%	
Sales Tax	1,206,835	22.7%	
Property Taxes	887,435	16.7%	70.7%
Other Taxes	610,600	11.5%	
Licenses and Permits	370,400	7.0%	
Grants	238,600	4.5%	
Other Revenue	237,700	4.5%	
Current Services	75,100	1.4%	
Fines and Forfeitures	28,100	0.5%	
FY 2026-2027 Estimated Revenue	\$ 5,320,550	100%	

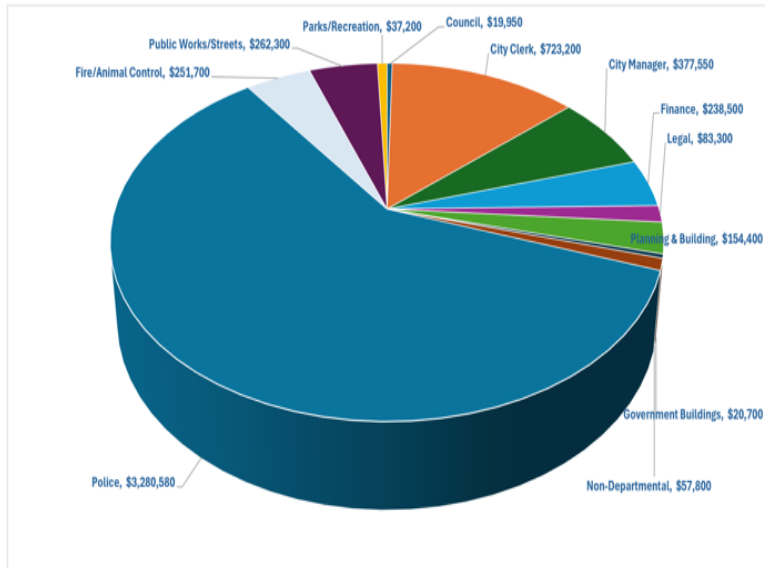
The chart shows the percentage allocation of the City's revenue



**FY 2026-2027 Proposed Budget
GENERAL FUND OPERATING EXPENDITURES**

Police	\$ 3,280,580	59.6%
City Clerk	723,200	13.1%
City Manager	377,550	6.9%
Public Works/Street	262,300	4.8%
Fire/Animal Control	251,700	4.6%
Finance	238,500	4.3%
Planning & Building Regulations	154,400	2.8%
Legal	83,300	1.5%
Non-Departmental	57,800	1.0%
Parks/Recreation	37,200	0.7%
Government Buildings	20,700	0.4%
Council	19,950	0.4%
FY 2026-2027 Total Appropriations	\$ 5,507,180	100%

The chart shows the General Fund expenditures by department



**FY 2026-2027 Proposed Budget
CONTRIBUTIONS TO NON-PROFIT ORGANIZATIONS**

	<u>FY 2024-2025</u>	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>	<u>Change</u>
Community Human Services -JPA Contribution	4,900.00	5,025.00	5,025.00	1.8%
Central Coast- SBDC(Small Buss Dev Center)	2,500.00	2,500.00	2,500.00	0.0%
Monterey Peninsula Chamber of Commerce	700.00	700.00	700.00	0.0%
United Way	3,000.00	3,000.00	3,000.00	0.0%
Casa De Noche	1,700.00	1,700.00	1,700.00	0.0%
Shuman Hearthouse	1,700.00	1,700.00	1,700.00	0.0%
Total	14,500.00	14,625.00	14,625.00	1.8%
FY 2026-2027 Budget			\$ 15,000.00	6.7%
311 Public Works/Street	232,521	258,050	262,300	4,250
411 Parks/Recreation	40,355	111,850	37,200	(74,650)
FY 2026-2027 Total Operating Expenditures	4,690,284	5,430,015	5,507,180	77,165

ESTIMATED FUND BALANCE 06/30/2027

	Audited Fund Balance <u>6/30/2025</u>	Estimated Fund Balance <u>6/30/2026</u>	Estimated Revenue <u>FY 2026-2027</u>	Interfund Transfers <u>FY 2026-2027</u>	Appropriations <u>FY 2026-2027</u>	Surplus (Deficit) <u>FY 2026-2027</u>	Est. Fund Bal. <u>6/30/2027</u>
100 General Fund							
Available							
Unassigned-Economic Uncertainties	1,652,182	1,652,182					1,652,182
Unappropriated	<u>2,039,478</u>	<u>1,258,182</u>					<u>993,552</u>
Available Fund Balance	<u><u>3,691,660</u></u>	<u><u>2,910,364</u></u>	<u><u>5,320,550</u></u>	<u><u>(78,000)</u></u>	<u><u>(5,507,180)</u></u>	<u><u>(264,630)</u></u>	<u><u>2,645,734</u></u>

FY 2026-2027 Proposed Budget FY 2026-2027 FUNDED CAPITAL PROJECTS

Project Description	<u>FY 2026-27</u>	<u>Funding Source</u>
CIP 533 Vehicle Replacement-PD	45,000	GF Fund Balance
CIP 540 Server Repalcement	20,000	GF Fund Balance
CIP 543 PD Radio Replacement	10,000	GF Fund Balance
CIP 544 Technology Repalcement	<u>3,000</u>	GF Fund Balance
Total	<u><u>\$ 78,000</u></u>	

FY 2026-2027 Proposed Budget
FY 2026-2027 FUNDED CAPITAL PROJECTS-Detail

	FY 2024-2025 Budget	FY 2025-2026 Budget	FY 2024-2025 Actuals	FY 2025-2026 Actuals (as of 04/30/2026)	Est Carryover to FY 2026-2027	FY 2026-2027 Proposed Budget	FY 2026-2027 Budget+CO
301 - Capital Projects							
533 Vehicle Replacement	45,000	45,000			90,000	45,000	135,000
537 Saucito Rd & Work Ave Imp Project		81,150		81,150	-		-
540 Server Replacement					-	20,000	20,000
541 City Hall Facility Repairs & Upgrades	20,000	20,000	20,000	7,374	12,626		12,626
542 Council Chamber Technology Project	5,000	5,000	5,000		5,000		5,000
543 PD Radio Replacement	10,000	10,000			20,000	10,000	30,000
544 Technology Replacement		3,000			3,000	3,000	6,000
545 City Hall Sewer Upgrades		40,000			40,000		40,000
546 City Hall Chamber Renovations		50,000			50,000		50,000
547 City Hall Fence Replacement		20,000			20,000		20,000
548 City Hall Parking Lot Improvements		167,446		6,396	161,050		161,050
549 Adair Stairs Repairs		15,000			15,000		15,000
550 Del Rey Oaks Garden Center				2,386	(2,386)		(2,386)
Total Expenditures	80,000.00	456,596.00	25,000.00	97,306.00	414,290.00	78,000.00	492,290.00

The following comments and questions were raised during the Budget presentation:

City Manager Guertin: Revenues are tight. We trimmed off several items from the budget, including training, travel, and contracts. The major hit in expenses is insurance that includes workers' compensation, liability, and all medical premiums. No colas this year. We reduced without compromising services to residents. Recommend accepting this budget document and coming back for a mid-year review to make any modifications needed.

Councilmember Burger: Appreciates all of the hard work and hopefully it will work it's self out at mid-year.

Councilmember Uy: Is this budget stable?

City Manager Guertin: The economy is the biggest factor, and revenue falls during inflationary times. We are in the same boat as the surrounding cities, but better than most. It's not looking bad, but it's not great either.

Councilmember Shirley: Grateful for the reserves. Work memorial property is our best option for revenue.

City Manager Guertin: The city needs to get immediate temporary use and revenue at that property and then do careful planning on a permanent project and use.

Councilmember Shirley: We need more parking at City Hall for events, meetings and for Frog Pond use. How about the public works yard? Would like to direct staff to talk to the parks department about their parking situation.

Councilmember Shirley: Is Section 115 trust on track? Wants to keep it on the radar.

City Manager Guertin: Explains how it works and how it was approved in 2019 before Covid hit the economy, and we have invested some since then. 40% is the goal. Maybe next year we can invest more, depending on the economy.

Councilmember Shirley: Vehicle reserve should be all vehicles, not just PD.

City Manager Guertin: Explains the higher use of PD vehicles, etc.

Mayor Donaldson: Important for staff to address parking issues and inform the council as needed. Wants to see what they come up with regarding parking.

Councilmember Uy: Good idea to have more parking for events.

Councilmember Burger: Would like to hear pros and cons from staff about parking. Also worried about the cost of upkeep of the new trail that the city will maintain.

PUBLIC COMMENTS:

Gary Kreeger: Vacancy tax, lean on Stone Creek landlords. It would be nice to have something at the Garden Center property.

Alice Green: Folks were concerned about the cost of upkeep of the trail, and it was ignored.

Mayor Donaldson: This is the most transparent budget in the area. It has been reviewed and changed many times and heard at 6 different meetings by June 30th, both during the day and in the evenings. Thanks, staff, for identifying cuts without impact to services.

The Council received the item, and no decision was made.

NEXT REGULAR MEETING DATE:

Tuesday, June 23, 2026 at 6:00 pm

ADJOURNMENT: 6:45 PM

Attest: _____

Date:-----